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data source and weight for suballocating funds within the State as used by the National Office in allocating to the States as described in §1940.567 (b) and (c) of this section.

(k) Other documentation. Not applicable.

§ 1940.568 Single Family Housing programs appropriations not allocated by State.

The following program funds are kept in a National Office reserve and are available as determined administratively:

- (a) Section 523 Self-Help Technical Assistance Grants.
- (b) Section 523 Land Development Fund.
- (c) Section 524 Rural Housing Site Loans.
- (d) Section 509 Compensation for Construction Defects.
 - (e) Section 502 Nonsubsidized Funds.

§§ 1940.569-1940.574 [Reserved]

§ 1940.575 Section 515 Rural Rental Housing (RRH) loans.

- (a) Amount available for allocations. See § 1940.552(a) of this subpart.
- (b) Basic formula criteria, data source and weight. See §1940.552(b) of this subpart.

The criteria used in the basic formula area:

- (1) State's percentage of National rural population,
- (2) State's percentage of National number of rural occupied substandard units, and
- (3) State's percentage of National rural families with incomes below the poverty level.

Data source for each of these criterion is based on the latest census data available. Each criterion is assigned a specific weight according to its relevance in determining need. The percentage representing each criterion is multiplied by the weight assigned and summed to arrive at a State factor (SF).

- SF = (criterion No. $1 \times$ weight of $33\frac{1}{3}\%$)
 - + (criterion No. $2 \times$ weight of $33\frac{1}{3}\%$)
 - + (criterion No. 3 × weight of 331/3%)
- (c) Basic formula allocation. See § 1940.552(c) of this subpart.

- (d) Transition formula. See §1940.522(d) of this subpart.
- (e) Base allocation. See §1940.552(e) of this subpart. Jurisdictions receiving administrative allocations do not receive base allocations.
- (f) Administrative allocations. See § 1940.552(f) of this subpart. Jurisdictions receiving formula allocations do not receive administrative allocations.
- (g) Reserve. See §1940.552(g) of this subpart.
- (h) *Pooling of funds*. See §1940.552(h) of this subpart.
- (i) Availability of the allocation. See §1940.552(i) of this subpart.
- (j) Suballocation by the State Director. See § 1940.552(j) of this subpart.
- (k) Other documentation. Not applicable.

[53 FR 26229, July 12, 1988]

§ 1940.576 Rental Assistance (RA) for new construction.

- (a) Amount available for allocations. See § 1940.552(a) of this subpart.
- (b) Basic formula criteria, data source and weight. See §1940.575(b) of this subpart.
- (c) Basic formula allocation. See §1940.552(c) of this subpart.
- (d) $Transition\ formula.$ See §1940.552(d) of this subpart.
- (e) Base allocation. See §1940.552(e) of this subpart.
- (f) Administrative allocations. See §1940.552(f) of this subpart. Jurisdictions receiving formula allocations do not receive administrative allocations.
- (g) Reserve. See §1940.552(g) of this subpart.
- (h) Pooling of funds. See §1940.552(h) of this subpart.
- (i) Availability of the allocation. See §1940.552(i) of this subpart.
- (j) Suballocation by the State Director. See § 1940.552(j) of this subpart.
- (k) Other documentation. Not applicable.

[53 FR 26229, July 12, 1988]

§1940.577 Rental Assistance (RA) for existing projects.

(a) Amount available for allocations. See §1940.552(a) of this subpart. RA appropriated for existing projects will first be used to replace contracts expiring each fiscal year and for the first

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few months of the following fiscal year. This is done to assure continued RA funding. RA units not needed for replacement purposes will be used for existing multiple family housing projects experiencing servicing problems.

- (b) Basic formula criteria, data source and weight. No formula or weighted criteria is used to allocate replacement RA. The basic allocation for replacement RA will be made based on the following:
- (1) *Criteria*. This allocation is based on the estimated need to replace RA contracts expiring from the depletion of funds.
- (2) Date source. The most accurate and current information available from FmHA or its successor agency under Public Law 103-354 computerized data sources.
- (c) Basic formula allocation. While no formula will be used, the basic allocation will be made to each State according to the need determined using the basic criteria.
 - (d) Transition formula. Not applicable.
- (e) Base allocation. Not applicable.
- (f) Administrative allocation. Not applicable.
- (g) Reserve. See §1940.552(g) of this subpart. The National Office maintains a reserve adequate to compensate for the differences between actual and projected replacement activity. Units will be administratively distributed for existing housing to either satisfy previously unidentified replacement needs or address servicing situations. Units will be distributed to any State when the Administrator determines that additional allocations are necessary and appropriate.
- (h) Pooling of funds. See §1940.552(h) of this subpart. Units will be pooled at the Administrator's discretion.
- (i) Obligation of the allocation. See § 1940.552(i) of this subpart.
- (j) Suballocation by the State Director. See § 1940.552(j) of this subpart.
- (k) Other documentation. Not applicable.

[49 FR 3727, Jan. 30, 1984, as amended at 53 FR 26229, July 12, 1988]

§ 1940.578 Housing Preservation Grant (HPG) program.

(a) Amount available for allocations. See § 1940.552(a) of this subpart.

- (b) Basic formula criteria, data source and weight. See §1940.575(b) of this subpart.
- (c) Basic formula allocation. See \$1940.552(c) of this subpart.
- (d) Transition formula. See §1940.552(d) of this subpart.
- (e) Base allocation. See §1940.552(e) of this subpart.
- (f) Administrative allocations. See §1940.552(f) of this subpart.
- (g) Reserve. See §1940.552(g) of this subpart.
- (h) Pooling of funds. See §1940.552(h) of this subpart. Funds may be pooled after all HPG applications have been received and HPG fund demand by State has been determined. Pooled funds will be combined with the National Office reserve to fund eligible projects. Remaining HPG funds will be available for distribution for use under the Section 504 program.
- (i) Availability of the allocation. See § 1940.552(i) of this subpart.
- (j) Suballocation by the State Director. Not applicable.
- (k) Other documentation. Funds for the HPG program will be available for a limited period each fiscal year. Due to the requirements by law to allocate funds on a formula basis to all States and to have a competitive selection process for HPG project selection, FmHA or its successor agency under Public Law 103-354 will announce opening and closing dates for receipt of HPG applications. After the closing date, FmHA or its successor agency under Public Law 103-354 will review and evaluate the proposals, adjust State allocations as necessary to comply with the law and program demand, and redistribute remaining unused HPG resources for use under Section 504 (as required by statute).

 $[53~{\rm FR}~26229,~{\rm July}~12,~1988]$

§ 1940.579 Multiple Family Housing appropriations not allocated by State.

Funds are not allocated to States. The following program funds are kept in a National Office reserve and are available as determined administratively:

(a) Section 514 Farm Labor Housing Loans.